Suit contends Hughes is dead

NEW YORK (AP) — Two Manhattan stockholders have filed suit contending that Howard R. Hughes is dead.

If the elusive billionaire doesn't respond to their satisfaction, they intend to ask the the courts to appoint an administrator for his estate. The civil complaint in state Supreme Court alleges that while Hughes is reputed to be residing at the Hotel Xanadu in the Grand Bahamas, he "has been dead for a considerable period" and is claimed to be alive "for the personal profit of various and sundry persons."

The suit was brought by Victor and Ellen Kurtz, minority stockholders of Air Liquidation Co., formerly known as Air West Inc., in which they seek from the company's stockholders as a class, damages of $100 million. Air West was taken over by Hughes in 1969.

The suit contends that Hughes and some of his associates deliberately depressed the price of the stock to make the sale of the airline to Hughes more attractive to stockholders, and that the airline's directors who opposed the sale were pressured by the filing of lawsuits. The American Stock Exchange is named as a defendant on grounds it did not take proper steps to disclose allegedly fraudulent manipulation of stock prices.

Also listed as defendants were Summa Corp., formerly Hughes Tool Co.; Chester C. Davis, chief legal counsel for Summa Corp.; and Haskins & Sells, a New York accounting firm.

Several suits are pending in federal court in San Francisco growing out of the Air West takeover by Hughes, including an antitrust action brought by the Kurtzes. None of the federal court suits alleges that Hughes is dead.

The Kurtzes refer all questions about the New York case to their attorney, I. Walton Bader. He contends that conspiracy is at the heart of the litigations involving Hughes and, "Without Hughes, how can you prove a conspiracy?"

Hughes has been embroiled in litigation for some 15 years, including a prolonged battle in the 1960s for control of Trans World Airlines. He did not appear personally in that case, nor has he appeared in any of the litigation involving the Air West takeover.

Bader said if Hughes fails to respond to the New York action he would press for appointment of an administrator for Hughes's estate to handle disposition of all the billionaire's assets.

"The man — as far as we know — has no children. We don't even know if there is a will," Bader said. "Nobody has seen him for 10 years or more. Unless it can be proved otherwise, he is either dead or incompetent and the burden of proof must rest with Mr. Hughes or those acting in his behalf."

The suit contends that Hughes has been absent from New York State since at least 1968 and "has not made a personal appearance for many years past."

Bader said no immigration official has seen Hughes despite reports that have placed him in nine localities in five countries ranging from Las Vegas and London to Vancouver, B.C., to Managua, Nicaragua, in the past nine years.